

HAVANT BOROUGH COUNCIL

At a meeting of the Audit and Finance Committee held on 24 March 2021

Present

Councillor: Patel (Chairman)

Councillors: Briggs (Vice-Chairman), Branson, Davis, Keast, Kennett and
Pike

Other Councillor(s): Inkster
Councillors

1 Apologies for Absence

There were no apologies for absence.

2 19/20 Draft Audit Results Report

The Committee received the interim draft audit results for 2019-2020.

The draft Audit Results Report presented the outcome of the Audit of the Statement of Accounts and the Value for Money conclusion for the financial year ending 31 March 2020.

The external auditors explained the impact of the Covid 19 pandemic on the 2019/20 audit and set out the status of the audit at the date of the meeting.

In reply to questions from Members of the Committee, the officers and external auditors advised:

- a that whilst Covid was the context within which officers were working, there were fewer errors in the accounts than in previous years and the outstanding items were being managed;
- b that the Ministry of Housing, Communities and Local Government (MHCLG) had moved the date of the external audit for all councils to the end of September for the next two years as a result of the Covid pandemic;
- c that the reduction in the pension fund was not of great concern as the report was snapshot in time and did not represent issues over long term value;
- d of the reasons for the additional costs of the External Audit:
- e that there were no indication of fraudulent activities relating to the management of property assets at the time of the audit: and
- f that the Council had terminated that part of the Capita contract relating to financial services and that there were plans to terminate other parts of this contract relating to exchequer.

Resolved that the report as submitted be noted.

3 Internal Audit Progress Report 2020-21 (February 2021)

The Committee considered the report presented by Antony Harvey and Mark Norton of the Southern Internal Audit Partnership, who joined the meeting for the debate on this item and answered member's questions in connection with the report.

The paper provided an update on the progress of internal audit activity completed in accordance with the approved audit plan, and summarised the status of 'live' reports.

The Committee were informed that the Council remained confident that all outstanding work would be completed within agreed timescales. The Committee noted that the controls and processes for the debt management service would be examined by internal audit when the service was brought back in-house.

RESOLVED that the Internal Audit Progress Report 2021-22 (February 2021) be noted.

4 Internal Audit Plan 2021-22

The Committee considered the Internal Audit Plan 2021-22, as presented by Antony Harvey of the Southern Internal Audit Partnership.

The Internal Audit Plan provided the mechanism through which the Chief Internal Auditor could ensure the most appropriate use of internal audit resources to provide a clear statement of assurance on risk management, internal control and governance arrangements. The Plan reflected the Council's Corporate Strategy, ensuring focus was given to the associated risks to commissioning services.

RESOLVED that the Internal Audit Plan 2021-22 be approved as submitted.

5 Internal Audit Charter 2021-22

The Committee considered the Internal Audit Charter 2021-22, as presented by Antony Harvey of the Southern Internal Audit Partnership.

The Internal Audit Charter formally defined the purpose, authority and responsibilities for internal audit activity.

RESOLVED that the Internal Audit Charter 2021-22 be approved.

6 Corporate Performance Report Quarter Three 2020/21

The Committee considered a strategic overview of performance for Quarter Three 2020/21 in relation to the corporate priorities in the Council's Corporate Plan. The Officers answered questions relating to the report submitted.

The Head of Finance advised that overall revenue was a good position but there were gaps in the long term; there was little change in capital.

In response to questions raised by member of the Committee, the officers advised that they were looking into the mitigation of risks identified.

The Officers agreed to report back on the key performance indicators identified in red on pages 125 and 128 of the submitted report.

The Committee was advised that a workshop could be arranged to brief members of the Committee on key performance indicators.

RESOLVED that the report as submitted be noted.

The meeting commenced at 5.00 pm and concluded at 6.06 pm

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Chairman